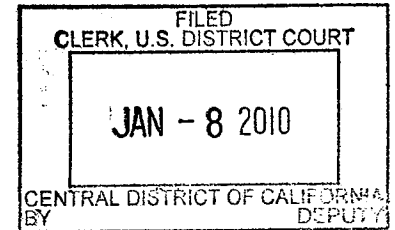


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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

vs.

NEWPOINT FINANCIAL SERVICES,  
INC.; JOHN FARAH; GISSOU  
RASTEGAR FARAH; and ELAHEH  
AMOUEI,

Defendants,

and

TRIPLE "J" PLUS, LLC,

Relief Defendant.

Case No. 0124

DDP (JEMx)

DECLARATION OF EDMOND  
TAHMASIAN IN SUPPORT OF *EX*  
*PARTE* APPLICATION BY  
PLAINTIFF SECURITIES AND  
EXCHANGE COMMISSION FOR  
TEMPORARY RESTRAINING  
ORDER AND ORDERS: (1)  
FREEZING ASSETS;  
(2) APPOINTING A TEMPORARY  
RECEIVER; (3) REQUIRING  
ACCOUNTINGS; AND  
(4) PROHIBITING THE  
DESTRUCTION OF DOCUMENTS;  
AND ORDER TO SHOW CAUSE RE  
PRELIMINARY INJUNCTION AND  
APPOINTMENT OF A PERMANENT  
RECEIVER

1                                    **DECLARATION OF EDMOND TAHMASIAN**

2            I, Edmond Tahmasian, pursuant to 28 U.S.C. § 1746, declare as follows:

3            1.     I have personal knowledge of each of the matters set forth below and I  
4 make this Declaration at the request of the United States Securities and Exchange  
5 Commission ("SEC").

6            2.     I am 35 years old and reside in Glendale, California. My brother,  
7 Edvin Tahmasian Savarani, and I moved from Iran to the United States in 1999.

8            3.     I first learned of John Farahi sometime around 2000 after hearing his  
9 radio program on the Iranian radio station, KIRN. On his radio program, Mr.  
10 Farahi said that his company was offering certificates of deposit (CDs) at favorable  
11 interest rates.

12           4.     In March of 2001, my brother and I met with Mr. Farahi at his offices  
13 in Beverly Hills, California to discuss investing in the CDs he had mentioned on  
14 the radio. Mr. Farahi told us that the CDs were for a one-year term and were FDIC  
15 insured. He did not mention anything regarding any risks associated with investing  
16 in the CDs. Based on our discussions with Mr. Farahi, my brother and I invested  
17 approximately \$30,000 in what we were told were CDs. We were not provided  
18 with any other documentation regarding our investment. Because we were told it  
19 was an investment in CDs, and because Mr. Farahi said the CDs would be FDIC  
20 insured, I believed that our investment involved a low degree of risk.

21           5.     I went back to Mr. Farahi's offices in 2002 (on or around the maturity  
22 date of the CDs my brother and I purchased in 2001). I met with Mr. Farahi and  
23 discussed re-investing the principal and interest in one-year CDs. Mr. Farahi said  
24 that I could keep the investment with his company, but that the interest rate would  
25 be different. He did not say that any other aspects of the investment would be  
26 different. After speaking with Mr. Farahi, I decided to re-invest the principal and  
27 interest and to add several thousand more dollars to the CDs as well.

28           6.     As I did in 2001 and 2002, each time the CDs I invested in reached

1 their maturity date, I would speak to Mr. Farahi or Elaheh Amouei at NewPoint  
2 Financial Services ("NewPoint") to have them re-invest the principal and generally  
3 also the interest. Although the interest rate would usually change when I re-  
4 invested, I was never told that any other aspect of my investment would be  
5 different. Each time I understood that I was investing in CDs. On occasion I  
6 would also add money to my investment. In total, I invested more than \$100,000  
7 with NewPoint.

8 7. Other than some paperwork my brother and I filled out one occasion  
9 at NewPoint's offices, the only documents I have been provided by Mr. Farahi or  
10 anyone at NewPoint have been one or two page documents. For example, I have  
11 received letters stating how much I had invested, the interest rate and the maturity  
12 date. On occasion, I also received account statements. Attached as Exhibits 1, 2,  
13 and 3 are true and correct copies of documents that I was shown by the SEC staff.  
14 I have reviewed the documents. I never received any of the three documents or  
15 any similar documents from Mr. Farahi or anyone else at NewPoint.

16 8. In late 2008, after hearing news reports regarding the financial crisis  
17 and that many financial institutions might fail, I called NewPoint to ask about the  
18 safety of my investment. I spoke with Ms. Amouei. She told me that NewPoint  
19 was in good financial condition because it did not take the same risks as many  
20 other financial institutions. Around that time, I heard Mr. Farahi state on his radio  
21 program that NewPoint was safe and secure and had been fortunate not to  
22 encounter many of the problems that other financial institutions were encountering.  
23 My conversation with Ms. Amouei and Mr. Farahi's comments on the radio  
24 assured me that my investment was safe.

25 9. In or around July or August 2009, I received a call from Mr. Farahi. I  
26 was surprised to receive a call from him, because I had not spoken to him in at  
27 least a year or two and I had not contacted NewPoint since my conversation with  
28 Ms. Amouei in 2008. Mr. Farahi told me that someone might be calling me to ask

1 questions about my investment at NewPoint. Mr. Farahi told me that if someone  
2 did call to tell them that I received all the paper work they ask about. Mr. Farahi  
3 specifically said to tell them that I received a copy of the "PPOM." I had never  
4 received a copy of a "PPOM" and, in fact, did not even know what the "PPOM"  
5 was. Mr. Farahi's call alarmed me and I asked him what was going on. He told  
6 me that he had some issues with somebody, but did not explain further.

7       10. Approximately 2 or 3 weeks after Mr. Farahi called me, I received a  
8 call from an attorney. The attorney identified himself as Russell and said that he  
9 represented NewPoint. He asked me a number questions regarding my investment  
10 with NewPoint. He asked me whether I had received a copy of a "PPOM." I told  
11 him that I had not. I also told him that I understood my money was invested in  
12 CDs. He told me that the investments were actually debentures. That was the first  
13 time I learned that my money at NewPoint was not invested in CDs although I did  
14 not really understand what debentures were.

15       11. Sometime after I spoke with NewPoint's attorney, I called NewPoint  
16 to ask about my investment. The maturity date for what I believed to be the CDs I  
17 invested in was in late September 2009. I was concerned by the calls I received  
18 from Mr. Farahi and from NewPoint's attorney and I wanted to know whether my  
19 money was still safe and whether I should withdraw it or re-invest it. I spoke with  
20 Ms. Amouei and asked her what was going on and whether my money was safe.  
21 She told me that the SEC was just conducting a routine examination and that there  
22 were no problems with my investment. She told me that my money was safe.

23       12. I was reassured by Ms. Amouei's comments and, about one to two  
24 weeks before the maturity date, I called NewPoint and asked Ms. Amouei to re-  
25 invest the principal of my investment but to withdraw the interest. Ms. Amouei  
26 responded that my principal would be invested as before and that she would send  
27 me a check for the interest. I received a check for the interest a few days later.

28       13. In late September 2009, I received a questionnaire from the SEC.

1 When I received the questionnaire I again became concerned regarding the safety  
2 of my investment with NewPoint. I called NewPoint and spoke with Mr. Farahi.  
3 He told me that the questionnaire was voluntary and it was up to me whether to fill  
4 it out and return it to the SEC. I asked him what was going on and he told me that  
5 NewPoint did not have any problems. He said that no matter what happened to  
6 NewPoint, all the investors' money was safe.

7 14. On or around the end of October 2009, I received a check from  
8 NewPoint in the amount of approximately \$32,000. I had not asked to withdraw  
9 any of my investment so I called NewPoint to ask why they had sent me the check.  
10 Ms. Amouei told me that they had decided to send some money back to investors  
11 but did not explain further. I then asked to withdraw all my money with NewPoint.  
12 She told me that one of NewPoint's creditors had freezed NewPoint's account and  
13 that NewPoint would not be able to pay me my money until that issue was  
14 resolved. To date I have not received the remainder of my investment.

15 15. At no point from the time I first invested to the present was I told by  
16 Mr. Farahi or anyone else at NewPoint that a portion of the money I invested  
17 would be loaned directly to Mr. Farahi. I would not have invested with NewPoint  
18 had I known that.

19 16. At no point from the time I first invested to the present was I told by  
20 Mr. Farahi or anyone else at NewPoint that a portion of the money I invested  
21 would be used to build a house in Beverly Hills, California for Mr. Farahi. I would  
22 not have invested with NewPoint had I known that.

23 17. At no point from the time I first invested to the present was I told by  
24 Mr. Farahi or anyone else at NewPoint that a portion of the money I invested  
25 would be used to trade in options in the stock market. In fact, in a conversation I  
26 had with Mr. Farahi in either 2002 or 2003, Mr. Farahi advised me not to buy  
27 stocks because he said investing in stocks was risky. I would not have invested  
28 with NewPoint had I known that a portion of the money I invested would be used

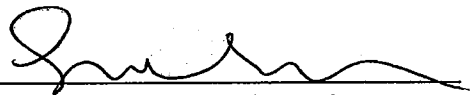
1 to trade in options in the stock market.

2 18. At no point from the time I first invested to the present was I told that  
3 my investment with NewPoint was speculative or involved a high degree of risk. I  
4 would not have invested with NewPoint had I known that.

5 19. The money I have invested with NewPoint is the majority of my  
6 savings. If I lose that money it will be devastating to me financially.

7  
8 I declare under penalty of perjury under the laws of the United States of  
9 America that the foregoing is true and correct.

10 Executed this 17 day of December 2009 in Glendale, California.

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13 Edmond Tahmasian  
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